



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MARK C. DRENNEN
COMMISSIONER OF ADMINISTRATION

February 27, 2002

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2002-48

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Colonial Life & Accident Insurance Company (MSK/30013) Rate Increase

Colonial Life & Accident Insurance Company (MSK/30013) will be implementing an across the board rate increase effective July 1, 2002 for the radiation/chemotherapy rider on Cancer Response and Cancer Response Plus policies. By March 25, 2002, Colonial will mail letters to all agencies affected by this rate increase, along with a list of the employees' current deduction amount and the increased amount. At the same time, letters will be mailed from Colonial to the employees affected notifying them of this change. Included with the letter will be a new Payroll Deduction Authorization Form (SED-4) with the new rates and all other products and premiums employees have with Colonial.

Employees who accept the increase must sign the forms and send them back to Colonial by May 15, 2002. Colonial will forward a signed copy of the SED-4 form to the payroll office by June 3, 2002 to be entered. Agencies must compare the last SED-4 on file (or ISIS HR deduction information) to the new SED-4 for verification of other products. Agencies should have all deduction changes entered for the July 12, 2002 payday. Employees who do not submit the signed SED-4 by the May 15th deadline will have their policies canceled upon notice from Colonial, effective July 1, 2002.

Colonial will prepare and send a list of employees who did not agree to the increased rates (did not sign the new payroll authorization form) to the payroll offices by June 10, 2002. The list will include the employee's name, social security number, and product. A new Payroll Deduction Authorization Form, SED-4, listing existing products and/or no deduction amount for the rate change, will also be mailed to the employee and agency indicating that coverage has been canceled effective, July 1, 2002. **These cancellations and/or rate increase changes must be entered by the pay period end date of July 7, 2002 to avoid refunds and/or one times after the plan year has begun.**

If you have any questions about the rate increase, contact Chuck Byrd, Coordinator for Colonial, at (800) 845-7330 ext. 5978. Any other questions should be directed to Angel Vernon at (225) 342-5344.

JWC:CAS/kmb

c: Ray Harrison, Office of Group Benefits
Chuck Byrd, Colonial Life & Accident Insurance Company